

Message Text

UNCLASSIFIED

PAGE 01 OTTAWA 01179 232213Z

43

ACTION EUR-25

INFO OCT-01 ISO-00 ARA-16 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03

SS-20 USIA-15 AID-20 EB-11 CIEP-02 TRSE-00 STR-08

OMB-01 CEA-02 COME-00 MC-02 IO-14 AEC-11 DRC-01 /188 W

----- 031576

R 232129Z APR 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 2365

INFO AMCONSUL MONTREAL UNN

AMCONSUL TORONTO UNN

UNCLAS OTTAWA 1179

E.O. 11652: N/A

TAGS: ESTC, CA, CU

SUBJECT: CUBA TRADE

REF: OTTAWA 1148

1. APRIL 22 OTTAWA JOURNAL CARRIED ARTICLE ENTITLED
"TRAINS FOR CUBA: U.S. EYES BLINK," BY ITS WASHINGTON
CORRESPONDENT, PAUL WHITELAW, BASED ON APRIL 19 PRESS
BRIEFING BY STATE DEPARTMENT SPOKESMAN JOHN KING.
ESSENTIAL EXCERPTS FOLLOW: BEGIN VERBATIM TEXT:

HIS TERSE COMMENTS AT A NEWS BRIEFING - INCLUDING
ADVICE TO REPORTERS TO "JUST WAIT AND SEE WHAT HAPPENS" -
UNDERLINED THE APPARENT DESIRE OF THE U.S. TO SIMPLY
IGNORE THE \$14-MILLION SALE TO CUBA BY MLW-WORTHINGTON.
THE MONTREAL FIRM IS A SUBSIDIARY OF STUDEBAKER-
WORTHINGTON OF NEW JERSEY.

THE FACT THAT THE TRADE DEAL IS STILL "UNDER
REVIEW" MORE THAN A MONTH AFTER THE CONTRACT WAS
SIGNED, WITH THE BLESSING OF THE CANADIAN GOVERNMENT,
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 OTTAWA 01179 232213Z

INCREASES THE LIKELIHOOD THAT WASHINGTON WILL TAKE

NO RETALIATORY ACTION AGAINST CANADA.

INDEED, U.S. AND CANADIAN OFFICIALS APPEAR TO HAVE QUIETLY AGREED TO CLOSE THE BOOK ON THE CONTROVERSIAL MLW-WORTHINGTON CASE - ALTHOUGH THERE HAS BEEN NO SATISFACTORY SOLUTION TO PROBLEMS RAISED BY THE LONGSTANDING AMERICAN EMBARGO ON TRADE WITH CUBA BY U.S. COMPANIES AND THEIR SUBSIDIARIES ABROAD.

SERIOUS NEW CHALLENGES TO THE EFFECTIVENESS OF THE 13-YEAR-OLD U.S. EMBARGO WILL UNDOUBTEDLY RESULT FROM THE DECISION THIS WEEK BY THE NIXON ADMINISTRATION TO GRANT EXPORT LICENSES TO GENERAL MOTORS, CHRYSLER AND FORD, PERMITTING THEIR ARGENTINE SUBSIDIARIES TO SELL CARS AND TRUCKS TO CUBA.

A WAVE OF DEMANDS FOR SIMILAR EXEMPTIONS FROM OTHER COUNTRIES WHICH HOST AMERICAN SUBSIDIARIES CAN BE EXPECTED. END VERBATIM TEXT.

2. MONTREAL GAZETTE EDITORIAL OF APRIL 23 ENTITLED "LOOKING BOTH WAYS" (AFTER ERRONEOUSLY ASSERTING U.S. HAD AGREED AT RECENT WASHINGTON/ATLANTA MEETINGS TO CUBAN INVOLVEMENT IN INTER-AMERICAN SYSTEM) STATES THAT LATIN AMERICANS CAN HARDLY INTERPRET USG APPROVAL OF ARGENTINE VEHICLES FOR CUBA IN ANY OTHER WAY THAN THE EFFECTIVE END OF THE EMBARGO. EDITORIAL GOES ON TO SAY EMBARGO HAS LONG OUTLIVED ANY REASON FOR ITS EXISTENCE, WASHINGTON IS SIMPLY ACCOMMODATING ITSELF TO REALITY; AND CONCLUDES THAT CANADA CAN DO ITS PART TO SPEED THE PROCESS BY GETTING ON WITH LEGISLATION (OTTAWA 570 AND 718) MAKING CERTAIN THAT MLW-WORTHINGTON AND OTHER CANADIAN SUBSIDIARIES OF AMERICAN COMPANIES ARE SUBJECT TO CANADIAN, NOT AMERICAN, POLICIES.
PORTER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, NEWS MEDIA COMMENTS, STRATEGIC TRADE CONTROLS, SUBSIDIARIES, ROLLING STOCK, EMBARGOES, EXPORT LICENSES
Control Number: n/a
Copy: SINGLE
Draft Date: 23 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974OTTAWA01179
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740096-0252
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740421/aaaaaspz.tel
Line Count: 97
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: OTTAWA 1148
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 11 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 SEP 2002 by BryanSD>; APPROVED <27 DEC 2002 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CUBA TRADE
TAGS: ESTC, CA, CU, US, AR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005